LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7071 NOTE PREPARED: Feb 19, 2007 **BILL NUMBER:** HB 1337 **BILL AMENDED:** Feb 15, 2007

SUBJECT: Smoking in a Vehicle with Children.

FIRST AUTHOR: Rep. Brown C

BILL STATUS: 2nd Reading - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) *Passenger Vehicle:* The bill provides a \$25 penalty for a person who smokes in a passenger motor vehicle while a minor who is less than 13 years of age is in the vehicle. It provides that the penalty for a subsequent violation is \$100. The bill deposits penalties into the Tobacco Use Prevention and Cessation Trust Fund. It provides that a person may not be stopped, inspected, or detained to determine if the person smoked in a passenger motor vehicle with a minor in the vehicle.

Mass Transportation: This bill prohibits smoking in a public means of mass transportation, in an enclosed area of a public mass transportation terminal, or in a public area within 100 feet of an entrance to a public mass transportation terminal.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) *Passenger Vehicle:* There are no data to indicate how many people may be fined for smoking in a passenger vehicle with a child less than 13 years old. An offense would be a Class C infraction. However, for a first offense, the fine would be \$25, and each subsequent offense is \$100. The judgments are to be deposited in the Tobacco Use Prevention and Cessation Trust Fund. (Under current statute, the maximum judgment for a Class C infraction is \$500 and is deposited in the state General Fund.)

<u>Background on the Tobacco Use Prevention and Cessation Trust Fund:</u> The Tobacco Use Prevention and Cessation Trust Fund is operated by the State Department of Health to make grants to implement the

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long-range state plan and pay the general operating and administrative expenses of the executive board of the Fund. The Fund consists of money distributed from the Indiana Tobacco Master Settlement Agreement Fund by statute; appropriations from other sources; grants, gifts, and donations; and accrued interest. Money in the fund at the end of a state fiscal year does not revert to the state General Fund.

Mass Transportation: Under current law, it is a Class B infraction to smoke in a public building (with certain exceptions), the retail area of a grocery store or drug store, the nonsmoking dining area of restaurant, or a school bus, and the penalty is increased to a Class A infraction if the offender has three prior violations. The bill adds two new locations to the prohibition - in a public means of mass transportation or in an enclosed public mass transportation terminal. There are no data to indicate how many more offenders may be convicted of these violations.

Passenger Vehicles and Mass Transportation: If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class A infraction is \$10,000 and the maximum judgement for a Class B infraction is \$1,000, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the judicial salaries fee (\$15), the public defense administration fee (\$3), the court administration fee (\$2), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

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State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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